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CITIZENS SUMMARY

Findings in the audit of the Smithville R-II School District

Procurement Procedures, Contracts, and Disbursements	District procurement procedures and practices were not sufficient to ensure the district complied with district policy and state law. More frequent solicitation and evaluation of qualifications of the construction management and architectural firms would help ensure the firms meet the current needs of the district. District personnel did not use a sealed bid process as required for several purchases of \$45,000 or more, and did not provide a reason why they did not. District personnel did not provide adequate documentation to support purchasing decisions for several purchases. District personnel spent approximately \$30,000 on food and employee gifts and awards during the 2019 - 2020 school year that may not have been prudent, reasonable, or necessary use of school funds.
Sunshine Law	The Board of Education did not document members absent in open and closed meetings or the vote to close meetings, as required. The Board discussed some items in closed meetings that do not appear allowable under the Sunshine Law or were not cited as the reason for closing the meeting. Minutes for closed meetings did not include sufficient detail to ensure some topics discussed were allowable.
Additional Compensation	District employees received additional compensation, totaling \$16,900, during the 2019 - 2020 school year, for various purposes including teaching dual credit courses and exercise classes that were not included on Board approved salary schedules. In addition, district personnel did not withhold payroll and income taxes from payments made to these employees. Instead, the district issued each employee a 1099 form.
District Controls and Procedures	District personnel do not have controls in place to ensure donations received are used only for their intended purposes. District personnel and volunteers do not issue tickets to attendees and/or keep a tally sheet for athletic events and musical productions. District personnel did not timely prepare and the Board did not timely approve budget amendments for the year ended June 30, 2020. Personnel did not retain some records in accordance with state law.
Attendance Data Changes	The Board has not developed procedures to adequately track some changes made to attendance records and limit the time period when attendance changes can be made. Also, district officials do not review changes made to current school year attendance records.

In the areas audited, the overall performance of this entity was **Good**.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.



Recommendations in the audit of the Smithville R-II School District

Procurement Procedures, Contracts, and Disbursements	<p>The Board of Education:</p> <ol style="list-style-type: none">1.1 Periodically request and evaluate qualifications for architectural and construction management services. In addition, ensure district personnel competitively procure goods and services in accordance with board policies and maintain documentation of decisions made.1.2 Ensure all disbursements are a necessary and prudent use of district funds. In addition, the Board should establish policies regarding food, gift, and award purchases, if such purchases are considered necessary.
Sunshine Law	<p>The Board of Education ensure meeting minutes are complete, accurate, and sufficiently detailed and only allowable topics are discussed in closed meetings. In addition, ensure discussions in closed meetings are limited to only those specific reasons cited for closing the meeting.</p>
Additional Compensation	<p>The Board of Education ensure pay schedules are complete and all compensation is approved by the Board. In addition, the Board should ensure all employee compensation paid is subject to proper withholdings and properly reported.</p>
District Controls and Procedures	<p>The Board of Education:</p> <ol style="list-style-type: none">4.1 Ensure donations collected are adequately tracked and/or deposited into a separate account and used for their intended purposes.4.2 Ensure receipts deposited for all events are reconciled to the paid attendance.4.3 Prepare and approve budget amendments prior to incurring the related disbursements.4.4 Store records in secure areas and ensure all records are retained in accordance with state law.
Attendance Data Changes	<p>The Board of Education implement additional controls and procedures to ensure student attendance data is accurately recorded and reported, including restricting the time frame during which changes can be made. The Board should also require documentation of changes made to attendance data be reviewed for accuracy.</p>